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S. 1143 — Department of Transportation and Related Agencies Appropriation Bill, FY 2000

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Reported May 27, 1999, as an original bill without amendment from the Senate Committee on Appropriations by a vote of 27-1 (Senator Feinstein voted nay; note the vote was en bloc with the Energy and Water funding bill). S. Rept. 106-55.

NOTEWORTHY

- The transportation appropriations bill provides a total of \$49.5 billion in new spending authority for the Department of Transportation and related agencies for fiscal year 2000. The total funding provided in the bill is \$1.6 billion more in FY 2000 than in FY99, and is \$760 million lower than the President's budget request. [See attached chart.]
- The bill meets the budget authority and outlay limits established in the revised 302(b) allocation.
- The bill provides historically high funding levels for infrastructure investment: the highway, transit and airport improvement programs are all increased above current funding levels. The bill provides a total of \$37.9 billion for investment in infrastructure used by the public, that is, highways, transit, airports, and railroads — this is a 6-percent increase over the FY99 infrastructure investment total of \$35.6 billion.
- The House of Representatives passed its transportation funding bill, H.R. 2084, on June 23, 1999, by a vote of 429 to 3.

HIGHLIGHTS

Funding Levels: The DOT bill provides a total of \$49.5 billion in new spending authority for the Department of Transportation and related agencies for fiscal year 2000. The bill meets the budget authority and outlay limits established in the 302(b) allocation, as revised. The bill provides \$1.6 billion more for FY00 than in FY99, and is \$760 million less than the President's request.

Budgetary Firewalls: The recently enacted Transportation Equity Act for the 21st Century (TEA21) reauthorized federal highway, transit, and highway safety programs for fiscal years 1998 through 2003. In TEA21, two obligation ceiling "firewalls" were established for highway and highway safety programs, and for transit programs. In fiscal year 2000, the highway firewall obligation ceiling is \$26.245 billion and the transit firewall obligation ceiling is \$5.797 billion. The transportation appropriations bill adheres to the programmatic obligation limitations outlined in TEA21, and has met the firewall obligation ceilings. However, the built-in increase in firewall spending for highways and transit constrains the Congress's ability to provide funds for other, non-firewall programs, such as the Federal Aviation Administration and the Coast Guard.

Revenue Aligned Budget Authority (RABA) Treatment: Beginning in FY 2000, TEA21 provides that guaranteed funding levels for the federal-aid highways program are adjusted to reflect revised receipt estimates from gasoline tax revenues into the Highway Account of the Highway Trust Fund. Section 110 of United States Code title 21, entitled "Revenue Aligned Budget Authority" (RABA), authorizes contract authority in an amount equal to the additional obligation limitation, to ensure that highway program funding levels track increases in gas tax receipts. In FY 2000, the RABA adjustment is \$1.456 billion. The President's budget proposes to reallocate \$452 million of the RABA to administration priorities in environmental programs, transit, highway safety, research, and rail. The bill rejects the administration's approach, and passes the increased funding directly to the states consistent with each state's individual guaranteed share under the TEA21 apportionment formula.

User Fees: The President's budget proposal includes provisions that would authorize the Secretary of Transportation to charge user fees for Coast Guard, Federal Aviation Administration, Federal Railroad Administration, Research and Special Programs Administration, Surface Transportation Board, and National Transportation Safety Board services, totaling \$1.668 billion. The provision produces the net budgetary effect of reducing the overall amount of the President's request, but the agencies themselves are held harmless against potential loss of funds, because the language is contingent upon authorization of the user fees, and until such time, each agency would have full access to all resources provided in the appropriations bill. The proposals amount to budgetary "smoke and mirrors" — additionally, they represent new taxes on many different sectors

of U.S. business and the traveling public. Congress has consistently rejected such user fee proposals, and the transportation appropriations bill does not approve any of the requested user fees in the FY00 DOT budget.

Highway and Transit Programs:

- The bill funds a Federal-aid highway obligation limitation of \$27.7 billion. This level is \$389 million above the President's budget request, and is consistent with the program levels established in the TEA21 firewall (the FY00 obligation limitation plus RABA).
- Within the highway obligation limitation, \$391.5 million is provided for transportation research programs, including the surface transportation program, technology deployment program, training and education, intelligent transportation systems, university transportation research; \$31 million is provided for the Bureau of Transportation Statistics; \$450 million is provided for the Appalachian Development Highway System; and \$20 million is provided for the Magnetic levitation transportation technology deployment program. In addition, the Senate bill provides \$155 million for the National motor carrier safety program, consistent with the President's revised budget request.
- Transit formula and discretionary accounts are funded at \$5.797 billion. This level is \$407 million above FY99, and is consistent with the program levels established in the TEA21 firewall.

Aviation and Coast Guard:

- The bill provides \$2 billion for the Airport Improvement Program, \$400 million above the President's request. If enacted at this level, it would be the highest AIP program level in history. This program funds airport construction, enhancement, noise mitigation, and expansion projects.
- The Federal Aviation Administration's facilities and equipment account is funded at a level of \$2.046 billion, an increase of \$146 million above the FY99 level, or 8 percent. This program funds safety, capacity, and efficiency improvements of the Federal airway system by procuring and installing new equipment, and constructing and modernizing aviation facilities around the country.
- Funding for Coast Guard operations is \$2.772 billion, \$72 million more than the enacted FY99 level (before emergency supplemental funding). This funding level continues the Committee's support of the streamlined Coast Guard.

Rail Programs/Amtrak:

- The bill provides \$571 million for capital grants to the National Railroad Passenger Corporation (Amtrak). These appropriated funds are provided in addition to the \$1.1

billion Amtrak will receive in FY00 as a tax refund payment as provided in the 1997 Taxpayer Relief Act, bringing the total Amtrak federal funding level to \$1.67 billion..

- The remainder of the rail programs funded in the bill total \$159 million, and provide for an increase in rail safety personnel, the Federal Railroad Administration's national research and development program, and high-speed rail technology development.

Safety:

- The bill provides \$5.86 billion for the **Federal Aviation Administration's** operations account, which is \$295 million more than the FY99 enacted level. This funding level provides an increase in funding for FAA air traffic services.
- The **National Highway Traffic Safety Administration** programs are funded at \$375.7 million, which is \$14.3 million above the FY99 enacted level.
- The bill provides \$51.5 million for the **National Transportation Safety Board**, an independent agency, to support the NTSB's investigatory mission and the development of safety recommendations.

SIGNIFICANT LEGISLATIVE PROVISIONS

- **Transit Equity Provision:** Section 321 prevents any state from receiving more than 12.5 percent of the aggregate formula and capital investment grant programs' funds. The provision would decrease any affected state's allocation by the amount needed to bring the aggregate total down to 12.5 percent of the national total. These recovered funds would be redistributed to the remaining states in equal measure, to the states' formula grants programs, for use on any eligible capital transit project.
- **"Peanut-free zones":** Section 333 prohibits the Department of Transportation from creating "peanut-free zones" aboard domestic aircraft, until there is submitted to Congress and the Secretary of Transportation a peer-reviewed scientific study which determines that there are severe reactions by passengers to peanuts as a result of contact with very small airborne peanut particles.
- **Fractional ownership of aircraft:** Section 337 directs the Secretary to conduct a demonstration program determining the cost savings, operational flexibility and aircraft availability that can be realized through the use of commercial fractional ownership of DOT aircraft.

- **Driver's license personal data prohibition:** Section 339 prohibits the sale of personal data and photographs from driver's licenses without express written consent of the individual.

COST

CBO estimates that the bill would result in new outlays of \$17.520 billion in FY2000, \$16.411 billion in FY2001, \$7.358 billion in FY2002, \$3.456 billion in FY2003, and \$3.501 billion in FY 2004 and future years.

ADMINISTRATION POSITION

At press time, no official position on the bill as reported by the full Appropriations Committee had been received. However, in the May 27 Office and Management and Budget statement of administration views on the committee-reported bill, the administration raised concerns that funding for aviation operating and capital programs were inadequate, and protested the 12.5 percent transit equity cap.

POSSIBLE AMENDMENTS

Two issues raised at the full committee markup of the bill were deferred for floor consideration. Subcommittee Chairman Shelby had included language relating to notification and disclosure to airline passengers in the subcommittee-referred bill. However, at the full committee markup, Senator Shelby removed these provisions from the bill, but reserved the right to raise the issue again in floor action.

Senator Feinstein objected to the Transit Equity Provision and indicated a possible floor amendment to strike the provision.

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Attachment: chart

Transportation Appropriations, FY 1999

[dollars in millions, unless otherwise indicated]

| Office and program | 1999 Enacted | FY 2000 Admin. Request | FY 2000 Senate Bill (S.1143) |
|--|-----------------|------------------------------|------------------------------------|
| TITLE I--DEPARTMENT OF TRANSPORTATION | | | |
| Office of the Secretary: | | | |
| Salaries and expenses | 60.5 | 62.6 | 59.4 |
| Office of Civil Rights | 7.0 | 7.8 | 7.2 |
| Transportation, planning, research and development | 9.0 | 6.3 | 3.3 |
| Transportation administrative service cntr - limitation | [124.1] | [230.0] | [170.0] |
| Minority business resource center | 1.9 | 1.9 | 1.9 |
| Minority business outreach | 2.9 | 2.9 | 2.9 |
| Subtotal, Office of the secretary | 81.3 | 81.5 | 74.7 |
| Coast Guard: | | | |
| Operating expenses (includes DoD transfer within allocation) | 2,700.0 | 2,941.0 | 2,772.0 |
| Acquisition, construction & improvements | 395.5 | 350.3 | 370.4 |
| Environmental compliance and restoration | 21.0 | 19.5 | 12.5 |
| Alteration of bridges 1/ | 14.0 | 0.0 | 14.0 |
| Retired pay (scores as mandatory) | 684.0 | 730.3 | 730.3 |
| Reserve training | 69.0 | 72.0 | 72.0 |
| Research, development, test, and evaluation | 12.0 | 21.7 | 17.0 |
| Subtotal, Coast Guard | 3,895.5 | 4,134.8 | 3,988.2 |
| Federal Aviation Administration: | | | |
| Operations | 5,562.6 | 6,039.0 | 5,857.5 |
| Facilities and equipment | 1,900.0 | 2,319.0 | 2,045.7 |
| Research, engineering and development | 150.0 | 173.0 | 150.0 |
| Grants in aid for airports obligation limitation | 1,950.0 | 1,600.0 | 2,000.0 |
| AIP obligation limitation reduction (FY 1999) | 0.0 | 0.0 | (290.0) |
| Subtotal, Federal aviation administration | 9,562.6 | 10,131.0 | 9,763.2 |
| Federal Highway Administration: | | | |
| Limitation on administrative expenses | [327.4] | [344.6] | [348.0] |
| Federal-aid highways: | | | |
| Limitation on obligations 2/ | 25,511.0 | 27,312.2 | 27,701.4 |
| Exempt programs | 1,424.0 | 1,132.1 | 1,132.1 |
| Earmarked highway projects | 332.0 | 0.0 | 0.0 |
| Motor carrier safety grants | 100.0 | 155.0 | 155.0 |
| Subtotal, Federal highway administration | 27,367.0 | 28,599.3 | 28,988.5 |
| National Highway Traffic Safety Administration: | | | |
| Operations and research (subtotal) | 161.4 | 199.5 | 161.4 |
| (guaranteed funding level) 3/ | 72.0 | 72.0 | 72.0 |
| (non-guaranteed funds) 4/ | 87.4 | 125.5 | 87.4 |
| National driver register | 2.0 | 2.0 | 2.0 |
| Highway safety programs (sec. 402) | 150.0 | 152.8 | 152.8 |
| Occupant protection incentive grants (sec 405) | 10.0 | 10.0 | 10.0 |
| State highway safety data grants (sec 411) | 5.0 | 8.0 | 8.0 |
| Alcohol-impaired driving countermeasures (sec 410) | 35.0 | 36.0 | 36.0 |
| Child passenger protection incentive grants | 0.0 | [7.5] | [7.5] |
| Subtotal, National highway traffic safety admin. | 361.4 | 406.3 | 375.7 |
| Federal Railroad Administration: | | | |
| Safety and operations 5/ | 82.7 | 95.4 | 91.8 |
| Proposed offset from new user fees | 0.0 | (87.8) | 0.0 |
| Railroad research and development | 22.4 | 21.8 | 22.4 |
| Next generation high speed rail | 20.5 | 12.0 | 20.5 |
| Alaska railroad rehabilitation | 38.0 | 0.0 | 14.0 |
| Rhode Island rail development | 5.0 | 10.0 | 10.0 |
| Proposed transfer from revenue aligned budget auth. | 0 | 35.4 | 0.0 |
| Amtrak Capital | 609.2 | 571.0 | 571.0 |
| Subtotal, Federal railroad administration | 777.8 | 657.8 | 729.7 |

| Office and program | 1999 Enacted | FY 2000 Admin. Request | FY 2000 Senate Bill (S.1143) |
|---|-----------------|------------------------------|------------------------------------|
| Federal Transit Administration: | | | |
| Administrative expenses | 54.0 | 60.0 | 60.0 |
| University transportation centers | 6.0 | 6.0 | 6.0 |
| Transit planning and research 6/ | 98.0 | 111.0 | 107.0 |
| Formula grants 7/ | 2,850.0 | 3,310.3 | 3,098.0 |
| Capital Investment grants | 2,257.0 | 2,451.0 | 2,451.0 |
| (Fixed guideway modernization) | [902.8] | [980.4] | [980.4] |
| (Buses and bus facilities) | [451.4] | [490.2] | [490.2] |
| (New starts) | [902.8] | [980.4] | [980.4] |
| Access to jobs and training /8 | 75.0 | 150.0 | 75.0 |
| Washington metropolitan area transit authority | 50.0 | 0.0 | 0.0 |
| Subtotal, Federal transit administration | 5,390.0 | 6,088.3 | 5,797.0 |
| Research and special programs administration: | | | |
| Research and special programs | 29.3 | 33.3 | 30.8 |
| Offsetting collections from new user fees | 0.0 | (4.6) | 0.0 |
| Pipeline safety | 33.2 | 38.2 | 34.7 |
| Emergency preparedness grants limitation | [11.0] | 0.0 | 0.0 |
| Emergency preparedness grant | 0.2 | 0.2 | 0.2 |
| Subtotal, Research and special programs | 62.7 | 67.1 | 65.7 |
| Office of Inspector General (includes transfers from DOT agency) | 44.3 | 44.8 | 48.0 |
| Saint Lawrence Seaway Development Corporation 9/ | 11.5 | 12.0 | 11.5 |
| Surface Transportation Board: | | | |
| Salaries and expenses | 13.4 | 0.0 | 15.4 |
| Offsetting collections | 2.6 | [17.0] | [1.6] |
| Subtotal, Surface transportation board | 16.0 | 0.0 | 15.4 |
| TITLE II--RELATED AGENCIES | | | |
| Architectural and Transportation Barriers Compliance Bd. | 3.8 | 4.5 | 4.5 |
| National Transportation Safety Board: | | | |
| Salaries and expenses | 53.5 | 57.0 | 51.5 |
| Offsetting collections from new user fees | | (10.0) | |
| Emergency fund | [1.0] | [1.0] | [1.0] |
| Subtotal, National transportation safety board | 53.5 | 47.0 | 51.5 |
| TITLE III--GENERAL PROVISIONS | | | |
| Amtrak reform council | 0.5 | 0.8 | 1.0 |
| Rescission, FAA facilities and equipment (old program funds) | 0.0 | 0.0 | (300.0) |
| TASC Reduction | (15.0) | 0.0 | (60.0) |
| TOTAL, DOT Approps. * | 5,827.3 | 6,253.5 | 5,589.6 |
| *Note — Totals may not add due to rounding | | | |
| /1 FY00 request and Senate bill includes alteration of bridges program in highway trust fund | | | |
| /2 FY00 request proposes transferring portion of revenue aligned budget authority funds to other agencies | | | |
| /3 FY00 Senate action includes additional funds for NCAP program (\$14.5 M) | | | |
| /4 FY00 request proposes these new funds be transferred from revenue aligned budget authority | | | |
| /5 FY00 request consolidates "Office of the Administrator" and "Railroad safety" accounts | | | |
| /6 FY00 request proposes \$4 million transfer from revenue aligned budget authority | | | |
| /7 FY00 request proposes \$212.3 million transfer from revenue aligned budget authority | | | |
| /8 FY00 request proposes \$75 million transfer from revenue aligned budget authority | | | |
| /9 FY00 request assumes enactment of PBO status and mandatory funding. | | | |
| Amtrak Capital | 609.2 | 571.0 | 571.0 |
| Subtotal, Federal railroad administration | 609.2 | 571.0 | 571.0 |